

DOWNTOWN HOTEL DEVELOPMENT OPPORTUNITY

REQUEST FOR DEVELOPER QUALIFICATIONS
FOR A
PREMIER CONVENTION HEADQUARTERS HOTEL
◆
CITY OF SAN ANTONIO, TEXAS

◆
July 31, 2002

◆ RIVER WALK ◆ CONVENTION CENTER ◆ DOWNTOWN ◆

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Edward D. Garza

City Council

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1. PROJECT OVERVIEW

The City of San Antonio ("City") seeks to strengthen its position among the nation's leading convention destinations and continue to develop the downtown area as one of the leading cultural, entertainment, and commercial centers in the United States. As such, the City is seeking qualified parties capable of developing a premier, full-service convention headquarters hotel adjacent to the Henry B. Gonzalez Convention Center.

Henry B. Gonzalez Convention Center

San Antonio's Henry B. Gonzalez Convention Center recently completed a \$218-million expansion project that increased the existing contiguous exhibit hall space to approximately 440,000 sq. ft., and included the renovation of existing exhibition space and meeting rooms. Altogether, the expansion increased the facility's building footprint from 540,000 gross sq. ft. to more than 1.3 million sq. ft., including 115,646 sq. ft. of meeting space divisible in up to 67 ways, as well as seven registration areas. The center boasts two existing Ballrooms A and B, measuring 28,915 sq. ft. and 21,948 sq. ft. respectively. The new 40,000-sq. ft. Ballroom C boasts a third level foyer overlooking HemisFair Park. Four junior ballroom areas are suitable for meetings, dinners, and dances.

The convention center complex also features the Lila Cockrell Theatre, a 2,521-seat performing arts theatre. Within walking distance from the convention center are the Alamodome, more than 9,600 of the City's downtown hotel rooms, the River Walk, restaurants, and other entertainment options.



Need for Convention Headquarters Hotel

One of the most important components in attracting conventions and meetings is the availability of proximate hotel rooms and supporting meeting facilities. The City of San Antonio recognizes the need for the development of a convention headquarters hotel to allow for more competitive convention packages, to enhance the utilization of the convention center, and to facilitate future convention growth. The new hotel will play an essential role in strengthening San Antonio's competitive position in the convention market.

Developer Selection Process Overview

In order to allow broad participation by the development community, and in response to strong interest in the project, the City has elected to conduct a two-phase developer selection process:

Phase I	Request for Developer Qualifications
Phase II	Request for Proposals from Short Listed Respondents

2. DEVELOPMENT OPPORTUNITY

A Growing Market

The opportunity presented by this project is to develop a first-class convention hotel in a dynamic, metropolitan city in the southern region of the United States. San Antonio's geographic location serves as a natural gateway to international trade and commerce between North and South America. San Antonio is also one of the preferred tourist and convention destinations in the country, and one of the most visited cities in Texas. The Alamo and River Walk are ranked consistently as two of the most visited attractions in Texas.

The city has grown to become a major player in the national tourist and convention market. San Antonio's hotel industry remains one of the healthiest in the nation. The expansion of the Henry B. Gonzalez Convention Center has furthered San Antonio's reputation as a preferred tourist and convention destination.

The City is pursuing development of a convention headquarters hotel:

- To provide significant room block availability under one roof at a high quality, full-service hotel;
- To provide adequate room supply proximate to major convention venues;
- To make the convention center even more marketable; and
- To maximize the City's investment in the convention center.

Development Site

The proposed convention headquarters hotel site (as shown on the following page) is

surrounded by amenities and has excellent access to area attractions such as the Alamo, the Alamodome and Rivercenter Mall. More importantly, the site has direct access to the River Walk and convention center.

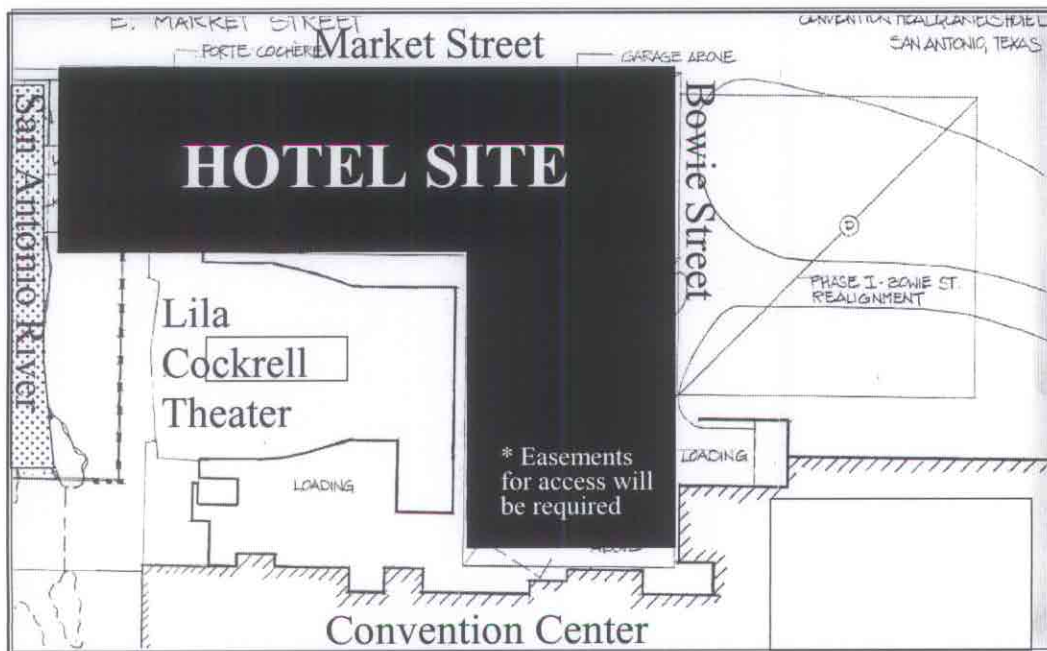
The site contains approximately 118,850 square feet at ground level. Development on the site is not restricted by height, floor area ratio, or setback requirements, although certain approvals may be required. Direct and immediate access is available to electric, gas, water, chilled water, phone, and cable utilities. Relocation of existing utilities on the site will be necessary.

The site is within an Empowerment Zone. Respondents should confer with their advisors to ascertain the benefits of such designation.

The primary entrance/exit to the convention center will continue to be through the north doors that open to the hotel development area at the lobby of the Lila Cockrell Theater. The proposed convention headquarters hotel site is one of the few parcels along the River Walk available for hotel development. Given its location, there is an opportunity for an outstanding interface between the hotel and the River Walk.

The site includes part of Bowie Street right-of-way. It is the intent of the City to ultimately realign Bowie Street. However, access to the north convention center loading dock area must be maintained. Service delivery to the hotel can be accommodated in the loading dock area between the convention center and the hotel, accessible from Bowie Street.

PROPOSED CONVENTION HEADQUARTERS HOTEL SITE



3. SAN ANTONIO HOTEL MARKET

City Wide Hotel Market

The tragic events of September 11, 2001, had a minimal impact on the San Antonio hotel market. The dislocations felt by other markets were mitigated, as San Antonio is a regional drive market from locations including Dallas, Houston, and northern Mexico. From 2000 to 2001, hotel occupancies in San Antonio decreased from 66.4% to 64.8%, and the average daily rates declined from \$86.77 to \$86.49.

The year 2002 is proving to be a very strong year for San Antonio. Through May of 2002 citywide occupancies were up by 5.6% and rates have grown at the rate of inflation.

The San Antonio hotel market is considered one of the healthiest in the nation. In 2001, there were over 28,600 hotel rooms in the city.

More than 900 rooms are in various planning or construction stages. The following table is an overview of occupancy and average rates for the major markets in San Antonio for the first five months of 2002 compared with 2001.

San Antonio's hotel market is primarily generated by group meetings and tourists. Group demand was the largest demand segment for hotels in San Antonio in 2001. This demand segment represents nearly 33% of the total demand, and includes conventions, association meetings, corporate conferences and training seminars. Leisure and commercial demand both ranked second with each accounting for 24% of the total demand. The remaining 19% of the market mix consists of a variety of hotel demand such as contracts and extended-stay guests.

HOTEL PERFORMANCE SAN ANTONIO, TEXAS YEAR-TO-DATE MAY									
	Occupancy			Average Daily Rate			RevPAR*		
	2001	2002	Difference	2001	2002	% change	2001	2002	% change
San Antonio	64.7	70.3	5.6	85.36	87.71	2.8	55.19	61.63	11.7
CBD	66.6	80.5	14.0	110.74	109.85	-0.8	73.71	88.48	20.1
North/Airport	71.1	66.5	-4.6	82.44	82.84	0.5	58.59	55.11	-6.0
Northeast	55.5	54.5	-1.0	50.44	56.58	12.2	28.01	30.84	10.1
Northwest	62.9	66.2	3.3	67.56	68.94	2.0	42.46	45.63	7.5
South	56.9	71.1	14.3	59.21	57.17	-3.4	33.67	40.67	20.8
* RevPAR is calculated by multiplying average rate by occupancy Source: PKF Consulting - Trends in the Hotel Industry - May 2002									

Downtown Hotel Market

There are over 10,500 hotel rooms in downtown San Antonio. Lodging facilities range from small, independently owned motels to high quality facilities, and large group-oriented hotels.

San Antonio's downtown hotel market is the strongest in the city, and continues to enjoy growing occupancy and average rates. The strength of the market can be attributed to the growing demand of convention groups, increasing tourists to destination attractions, and improving commercial business in the downtown. In 2001, downtown hotels experienced an average occupancy of 67.4%, and an average rate of \$109.55. Through May of this year downtown hotels have seen a 14-point increase in occupancy.

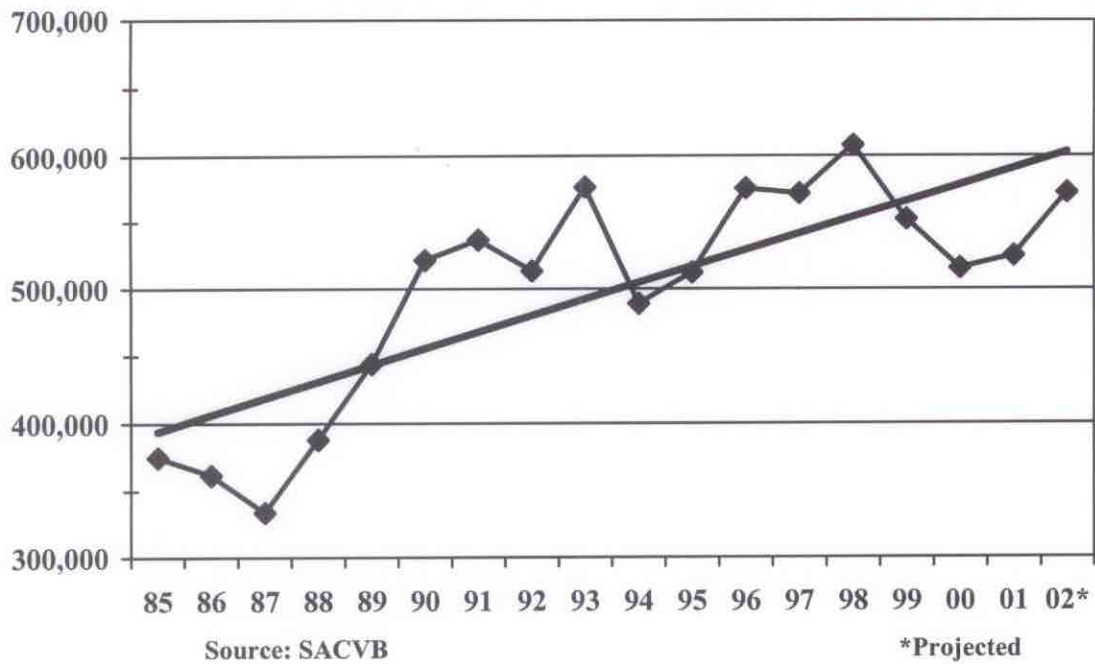
The downtown hotel market's demand mix is similar to the city's. Group demand, mainly conventions, generates the most hotel room nights demand downtown, followed by tourists and individual business travelers.

The group demand in downtown San Antonio also represents the majority of the citywide convention rooms demand. The history of reported convention delegate attendance and citywide room-nights sold are shown on the following page.

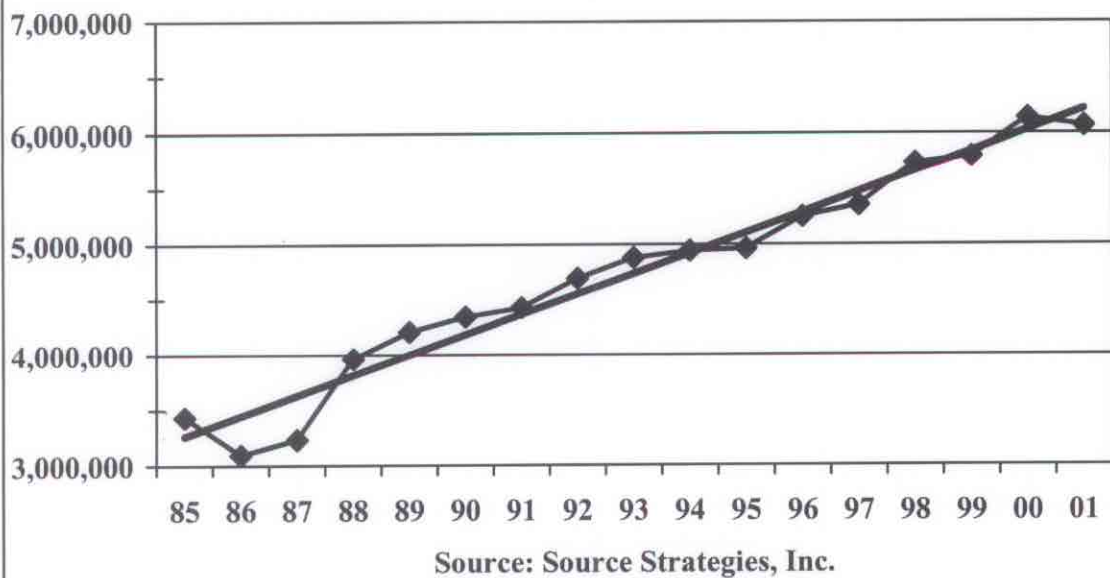
Four properties are considered the primary convention hotels. They include the Marriott Rivercenter, Marriott River Walk, Hyatt Regency and Hilton Palacio del Rio. With a total of 2,614 rooms and over 126,000 square feet of meeting space, these four hotels make up the core convention hotel supply in downtown San Antonio.

PRIMARY CONVENTION HOTELS - DOWNTOWN SAN ANTONIO				
Hotel	No. of Rooms	2001 Single Rack Rate	Total Meeting Space (Sq.Ft)	No. of Food Outlets
Marriott Rivercenter	1,000	\$139- \$189	60,000	2
Marriott Riverwalk	500	\$139 - \$199	15,116	1
Hyatt Regency	631	\$149- \$194	31,000	3
Hilton Palacio del Rio	483	\$199 - \$249	20,483	1
Est. 2001 Combined Occupancy	77.4%			
Est. 2001 Average Daily Rate	\$155.37			
Est. Market Mix				
Convention and Group	71.9%			
Tourist	24.3%			
Commercial	3.75%			
Source: PKF Consulting				

History of Reported Delegate Attendance



City-wide Room Nights Sold



4. DEVELOPER EXPERIENCE

Experience Developing Convention Hotels

The City of San Antonio is pursuing development of a premier convention headquarters hotel:

- Containing 1,200 to 1,500 keys capable of independent licensing;
- Including large capacity meeting and food & beverage facilities;
- Having an excellent interface with the Henry B. Gonzalez Convention Center and the River Walk; and
- Operated on a full-service basis, in a first-class manner, and consistent with American Automobile Association "Four Diamond" standards.

To achieve this goal, the City is seeking qualifications from developers experienced with similar projects. Therefore, the City is particularly interested in developers who have experience in developing **premier, full-service, convention hotels in the continental United States with at least 600 rooms and maintained in first-class condition.**

As part of a response to this Request for Developer Qualifications, respondents should provide a vita (per Exhibit B) describing prior work and demonstrating the capacity, track record, and interest to successfully develop a premier convention headquarters hotel in San Antonio.

Potential Hotel Operators

The City desires the convention headquarters hotel to be operated by a nationally recognized hotel operator that operates at least three comparable hotel properties, commits to a room blocking agreement, has a nationally recognized marketing program with an emphasis on group business, and operates a leading reservation system.

Responses to this Request for Developer Qualifications should include a list (per Exhibit B) of the hotel operator(s) that the respondent intends to pursue for this project should respondent be selected as the preferred developer and enter into agreements with the City for development of the hotel.

Experience Developing Innovative Urban Mixed-Use Projects

According to the *Downtown San Antonio Strategic Plan*, "San Antonians want their downtown to be the 'heart' of the city, with a balance of business, entertainment, arts and culture, and residential uses. They want to maintain and enhance the downtown's urban character so that it does not slip into a homogenized, suburban environment."

Given the context of the proposed hotel site, it is paramount that the hotel is developed in an engaging and a public-spirited way that enlivens the experience of the River Walk, HemisFair Park, and surrounding streets and properties.

The City is interested in soliciting developers with a track record of projects that extend and enrich the life and vitality of the public environment and surrounding properties. All else being equal, those who have experience developing innovative, urban, mixed-use projects will have an advantage in the selection process.

As part of a response to this Request for Developer Qualifications, respondents should provide a vita (per Exhibit B) describing prior work and demonstrating the capacity, track record, and interest to successfully develop innovative, mixed-use projects in an urban

environment. This should include a list of the notable architects and planners with whom the respondent worked on those projects. The projects listed therein may overlap those described for experience in developing convention headquarters hotels.

The City encourages creative suggestions and/or recommendations for project development during the developer selection process. Respondents should describe any such suggestions and/or recommendations in the Supplemental Information section of a submittal in accordance with the *Submission Requirements* section below.

5. FINANCIAL CRITERIA

Certification of Solvency and Predevelopment Costs

As part of a response to this Request for Developer Qualifications, respondent must certify that it and its subsidiaries have not had certain insolvency events and that respondent understands it is expected to cover predevelopment costs associated with the convention headquarters hotel should respondent be selected as the preferred developer and enter into agreements with the City for development of the hotel (per Exhibit B below).

Contemplated Financing Approach

As part of a response to this Request for Developer Qualifications, respondents must provide a narrative describing which approaches to project financing respondent would contemplate pursuing should respondent be selected as the preferred developer and enter into agreements with the City for development of the hotel.

The successful financing and completion of a convention headquarters hotel within acceptable exposure and risk levels while providing a commensurate benefit level to the City is the City's objective. **The City is prepared to consider various scenarios for financing the convention headquarters hotel, consistent with the development objectives of this Request for Developer Qualifications.**

The City prefers private development and ownership with conventional financing. Recognizing that each developer has different financial needs, objectives, and approaches to

securing financing and recognizing the difficulty in financing such a large project in today's environment, the City is prepared to consider some level of participation or credit enhancement.

Phase II Financial Proposals

Short-listed respondents (Phase II of the selection process) will be invited to submit a proposal that will include a detailed financing program. Short-listed respondents may be asked for detailed financial information, including a copy of the most recent audited balance sheet and income statement and those for the prior two fiscal years. Verification of the availability of development capital may also be required, as well as credit references, and a report from a recognized credit reporting service.

While the City encourages innovative suggestions for project financing, the City's consideration of direct public assistance supporting the development (through project financing or otherwise) will involve the merits of specific development proposals. All else being equal, those proposals which maximize the private investment leveraged by any proposed public investment, participation, or credit enhancement will have an advantage in the selection process.

No assurances are given that a particular commitment or obligation will be made to a particular proposal. The specific amount, method, and timing of project assistance by the City, if any, will be determined solely by the City Council.

6. PUBLIC POLICY CRITERIA

Room Blocking

The owner of the convention headquarters hotel will enter into an agreement with the City which sets out the terms and conditions on which it and the hotel operator will (1) cooperate with the City in connection with housing packages and (2) block and set aside rooms in the hotel as part of the housing packages of hotels in San Antonio the City markets to convention clients. Respondents to this Request for Developer Qualifications must understand and acknowledge that if selected as the preferred developer, they will be expected to work with City, hotel owner, and hotel operator to reach an agreement that meets City's room blocking goals.

Living Wage

It is the policy of the City of San Antonio to pay its employees a living wage and to encourage those with whom it does business to pay their employees a living wage. Currently, this threshold is \$8.70 per hour including tips but excluding benefits. This threshold roughly equates to the hourly wage necessary to support a family of four above the poverty level established by the U.S. Department of Health and Human Services. These figures are indexed annually.

The City expects any operator of the convention headquarters hotel to pay its employees a living wage, as defined by City Council. Respondents to this Request for Developer Qualifications must certify that if selected as the preferred developer they will work with the City and the hotel operator to achieve a living wage for the hotel employees. Phase II financial proposals must assume a living wage paid to hotel employees.

Urban Design

As discussed above, design (both of the hotel and of its site) is extremely important to the City. Approvals by the City's Historic and Design Review Commission will be required.

Small Business Economic Development Advocacy (SBEDA) Policy

It is the policy of the City of San Antonio to involve qualified small business and local business enterprises to the greatest extent feasible in the City's professional service and other discretionary contracts. Pursuant to Ordinance #69403, the City of San Antonio, its employees, contractors and subcontractors shall not discriminate on the basis of race, color, religion, national origin, sex, age, or handicap in the award and performance of contracts. Violation of this ordinance is a criminal offense and subject to penalty.

Proposals under Phase II of the developer selection process may be evaluated based on the City's SBEDA policy (see Exhibit E). Responses to this Request for Developer Qualifications should demonstrate:

- Respondent's previous experience and compliance with similar policies - public and private;
- Certification that respondent intends to comply with City's SBEDA policy; and
- Narrative about how respondent could involve small, minority, African American, and women business enterprises and local businesses in all aspects of the project, per Exhibit B.

For more information on the SBEDA policy, contact Manuel Longoria at (210) 207-8080.

7. SELECTION PROCESS

General Information

The City of San Antonio has the responsibility for selecting a developer for the convention headquarters hotel project. A two-phase process has been established by the City of San Antonio for soliciting developer participation in the development of the convention headquarters hotel.

Phase I involves this Request for Developer Qualifications. The intent of this phase is to identify respondents who have the proven capacity, track record, and interest to develop a convention headquarters hotel in downtown San Antonio. In order to minimize the out-of-pocket costs incurred by respondents, only a specific, limited amount of information is being requested during this phase. The intent is to obtain substantiated evidence of performance capability to complete an undertaking of this magnitude.

Phase II, the Request for Proposals phase, requires preparation and submission of detailed project and participant information that will provide sufficient basis for the City to assess the feasibility of proposals and the practicality of financing proposals, to identify the extent of the City's involvement, and to determine the character of the project. The Request for Proposals document will provide specific guidelines and requirements to invite submission of detailed development proposals by the short-listed respondents. It is currently anticipated the Request for Proposals will be issued in October 2002.

Following selection of a preferred developer by the City Council, City staff will negotiate terms and conditions of project documents.

Schedule

Responses to this Request for Developer Qualifications must be received by the City of San Antonio before **Friday, September 6, 2002, at 2:00 p.m., Central Daylight Time**, and must conform to the guidelines detailed in the *Submission Requirements* section below.

Unless requested by the City, any information in connection with a response to this Request for Developer Qualifications submitted to the City after the due date will be disregarded, per the *Conditions, Disclaimers, and Disclosures* section below. The City reserves the right to extend or otherwise modify this schedule.

Evaluation

A City Review Committee will evaluate each response to this Request for Developer Qualifications. The Committee may request clarifications to any submitted response. The City Review Committee will thoroughly evaluate each Response to this Request for Developer Qualifications on the basis of the factors outlined in this document.

The principal goal for Phase I is to identify respondents qualified both through experience and financial capability to develop the project. In Phase II, the short-listed respondents will be asked to prepare and submit project information in a much greater level of detail. Information regarding selection criteria for Phase II proposals will be provided in the subsequent Request for Proposals document.

8. SUBMISSION REQUIREMENTS

The submission requirements, format and instructions described in this section address only this Request for Developer Qualifications (Phase I of the selection process). Requirements for the Request for Proposals will be available in a subsequent document.

Responses to this Request for Developer Qualifications should include the following:

1. **Transmittal Letter**
(not to exceed two pages)
2. **Submittal Form/Attachments Thereto**
(per Exhibit B)
3. **Certificate of Authority**
 - Respondents must furnish with a submittal a "Certificate of Authority," signed by the Chief Executive Officer or the General Partner or other duly authorized representative of the respondent.
 - The Certificate must list the specific officers who are authorized to execute agreements on behalf of the respondent.
4. **City Discretionary Contracts Disclosure Form** (per Exhibit C)
5. **City Litigation Disclosure Form** (per Exhibit D)
6. **Supplemental Information (Optional)**
 - Any and all special information and/or conditions that respondent may contemplate offering to or asking from the City, not to exceed ten (10) pages.

In order to expedite the evaluation process, and allow the best and fairest evaluation of each proposal, all responses should follow a consistent format. Information should be as specific as possible. Responses must include the requested information and be organized according to the submission requirements.

Responses must be printed on 8½" by 11" sheets, single-sided, and with at least ½" margins on each page. Text fonts should be at least twelve (12) point. Line spacing should be at least single-spaced. Respondents must submit one identified reproducible original and fifteen (15) duplicate copies of the response. Neither facsimile nor E-mail submissions will be accepted.

Responses must be (1) received by **Friday, September 6, 2002, at 2:00 p.m., Central Daylight Time**, (2) bound and sealed when submitted, (3) submitted to the City at the following address:

If by hand or courier service, then to:

**RFQ RESPONSE –
CONVENTION HQ HOTEL DEVELOPERS
C/O CITY CLERK'S OFFICE
2nd FLOOR - CITY HALL
100 MILITARY PLAZA
SAN ANTONIO, TEXAS 78205**

If by mail, then to:

**RFQ RESPONSE –
CONVENTION HQ HOTEL DEVELOPERS
C/O CITY CLERK'S OFFICE
2nd FLOOR - CITY HALL
PO BOX 839966
SAN ANTONIO, TEXAS 78283-3966**

Questions concerning this Request for Developer Qualifications should be made in writing to:

If by hand or courier service, then to:

**TREY JACOBSON
ECONOMIC DEVELOPMENT DEPT.
4th FLOOR - CITY HALL
100 MILITARY PLAZA
SAN ANTONIO, TEXAS 78205**

If by mail, then to:

**TREY JACOBSON
ECONOMIC DEVELOPMENT DEPT.
PO BOX 839966
SAN ANTONIO, TEXAS 78283-3966**

Questions concerning this Request for Developer Qualifications may be E-mailed to:

tjacobson@sanantonio.gov

Clarifications or questions relating to definitions or interpretations of this Request for Developer Qualifications must be

submitted in writing and received by City at the above address on or before **August 16, 2002**. **Any responses will be posted on the following website:**

<http://www.sanantonio.gov/edd>

Neither the City of San Antonio nor any of its officers, agents, or employees shall be responsible for the accuracy of any information provided to any party as part of this Request for Developer Qualifications.

All respondents are encouraged to independently verify the accuracy of any information provided. The use of any of this information in the preparation of a response to this Request for Developer Qualifications is at the sole risk of the respondent.

The City reserves the right to request additional information during the review period.

9. CONDITIONS, DISCLAIMERS, AND DISCLOSURES

Conditions

- In its sole discretion, the City reserves the right to (1) withdraw this Request for Developer Qualifications before or after receiving submittals; (2) accept or reject any or all submittals; and (3) accept submittals which deviate from this Request for Developer Qualifications as the City deems appropriate and in its best interest. In its sole discretion, the City may determine the qualifications and acceptability of any party or parties submitting proposals in response to this Request for Developer Qualifications.
- This Request for Developer Qualifications is made subject to correction and errors, omissions, or withdrawal from the market without notice. Information is for guidance only, and does not constitute all or any part of an agreement.
- City reserves the right to issue a subsequent Request for Developer Qualifications, cancel the entire developer selection process, and/or remedy technical errors in the Request for Developer Qualifications.
- City reserves the right to negotiate with any, all, or none of the respondents to this Request for Developer Qualifications.
- Following submission of a response to this Request for Developer Qualifications, the respondent agrees to deliver such further details, information, and assurances, including financial and disclosure data, relating to the purpose and the respondent including the respondent's affiliates, officers, directors, shareholders, partners, and employees as requested by the City in its discretion.
- Respondents must furnish with a submittal a "Certificate of Authority," signed by the Chief Executive Officer or the General Partner or other duly authorized representative of the respondent. The Certificate must list the specific officers who are authorized to execute agreements on behalf of the respondent.
- Any and all costs and expenses associated with the preparation of any report or statement in this response to the Request for Developer Qualifications shall be borne by the respondent.
- Respondents acknowledge that all information submitted to the City in any response to the Request for Developer Qualifications is subject to the Texas Open Records Act, which provides for withholding of certain records clearly marked and acknowledged by the attorney general as proprietary.
- All responses to this Request for Developer Qualifications and all information provided to City associated with a response shall become the property of the City of San Antonio without any restrictions on usage and are non-returnable.

- Respondents shall comply with Federal law, Texas law, the City Charter, and applicable City ordinances.
- Respondents shall not offer any gratuities, favors, or anything of monetary value to any official or employee of the City or advisors to the City for the purpose of influencing consideration of a response to this Request for Developer Qualifications.
- Respondents shall not collude in any manner or engage in any practices with any other respondent(s) which may restrict or eliminate competition or otherwise restrain trade. The prohibition is not intended to preclude joint ventures or subcontracts.
- All responses submitted must be the original work product of the respondent. Copying, paraphrasing, otherwise using of substantial portions of the work product of another respondent is not permitted. Failure to adhere to this instruction will cause the response to be rejected.

Disclaimer

- The information contained herein is provided solely for the convenience of prospective hotel development entities. It is the responsibility of the recipient to assure itself that information contained herein is accurate and complete. Neither the City nor its advisors provide any assurances as to the accuracy of any information in this document.
- Any reliance on these contents, or any communications with City officials or advisors, shall be at the recipient's own risk. Prospective respondents should rely exclusively on their own investigations,

interpretations, and analyses in connection with this matter. This Request for Developer Qualifications is being provided by the City and its advisors without any warranty or representation, express or implied, as to its content, its accuracy or completeness. No warranty or representation is being made by the City or its advisors that any response conforming to these requirements will be selected for consideration, negotiation, or approval.

- The City and its advisors shall have no obligation or liability with respect to this Request for Developer Qualifications, the developer selection process, and whether any award will be made. Any recipient of this Request for Developer Qualifications who responds hereto fully acknowledges all the provisions of this disclaimer and disclosure is totally relying on said disclosure and disclaimer and agrees to be bound by the terms hereof. Any proposals submitted to the City or its advisors pursuant to this Request for Developer Qualifications are submitted at the sole risk and responsibility of the party submitting such response.
- Any action taken by the City or response made pursuant to this Request for Developer Qualifications or in making any awards or failure or refusal to make any award pursuant to such submittal, or in any cancellation of awards, or in any withdrawal or cancellation of this Request for Developer Qualifications, either before or after issuance of an award, shall be without any liability or obligation of the City or its advisors.
- The City and respondent will be bound only as, if and when a proposal, as same

may be modified, and the applicable definitive agreements pertaining thereto, are approved by the City Council and then only pursuant to the terms of the definitive agreements executed among the parties.

- A response to this Request for Developer Qualifications, or all responses, may be accepted or rejected by the City for any reason, or for no reason, without any resulting liability to the City and its advisors.
- Respondent fully acknowledges that this is a two-step process and acceptance by the City of respondent's qualifications will not guarantee award of any contract or development agreement. The second step

in the developer selection process will be a Request for Proposals issued by City to a short-listed group of respondents selected by City Council.

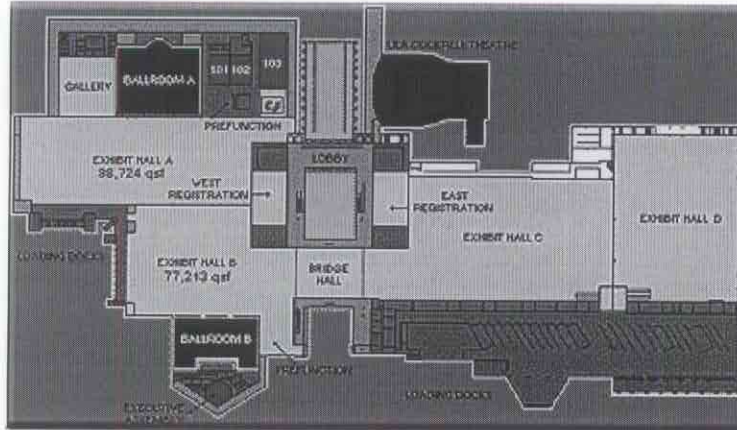
Disclosure

- In accordance with City Ordinance, all responses to this Request for Developer Qualifications shall include a completed Discretionary Contracts Disclosure Form (see Exhibit C).
- All responses to this Request for Developer Qualifications shall include a completed Litigation Disclosure Form (see Exhibit D).

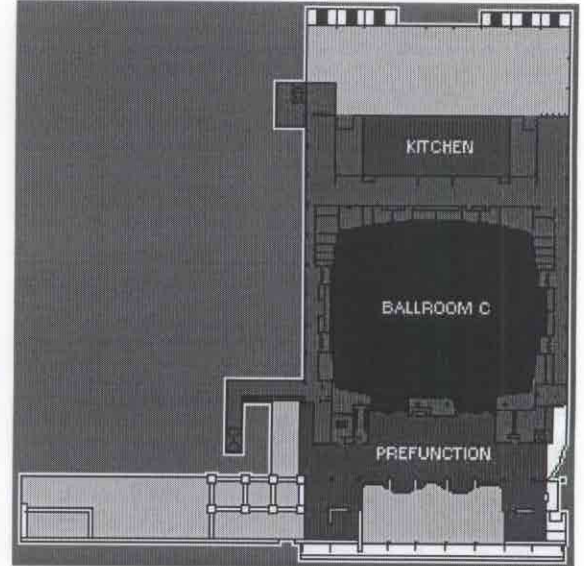
EXHIBIT A – SAN ANTONIO CONVENTION FACILITIES INFORMATION

Henry B. Gonzalez Convention Center

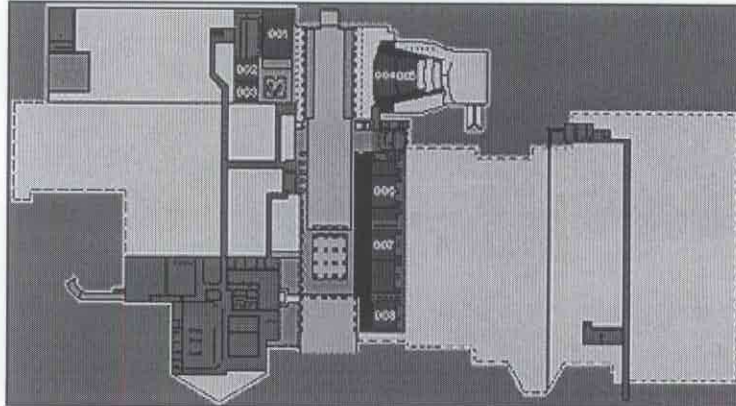
Street Level



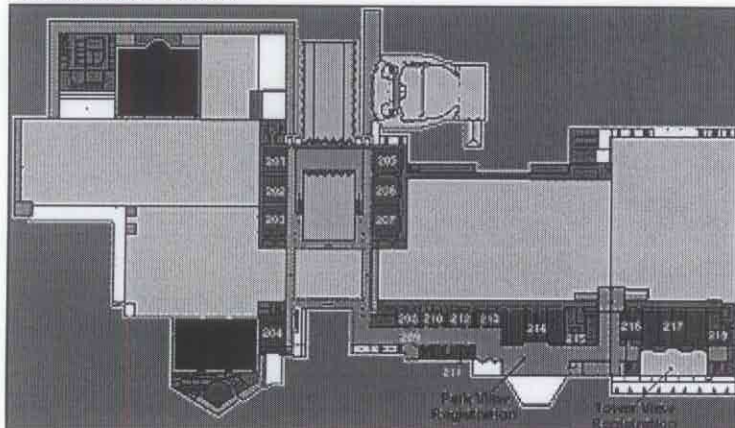
Ballroom Level



River Level



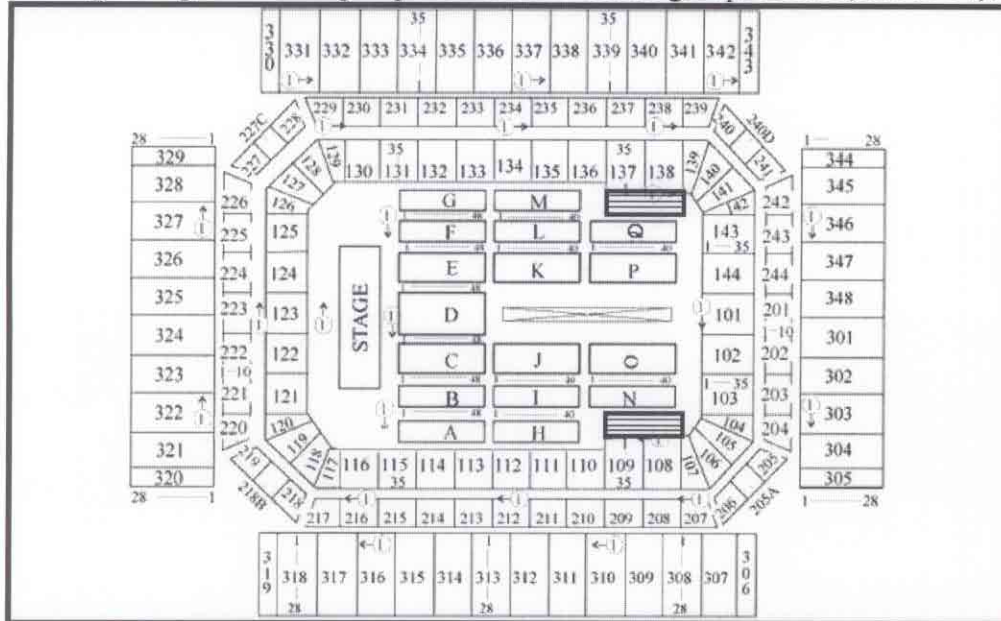
Concourse Level



Alamodome

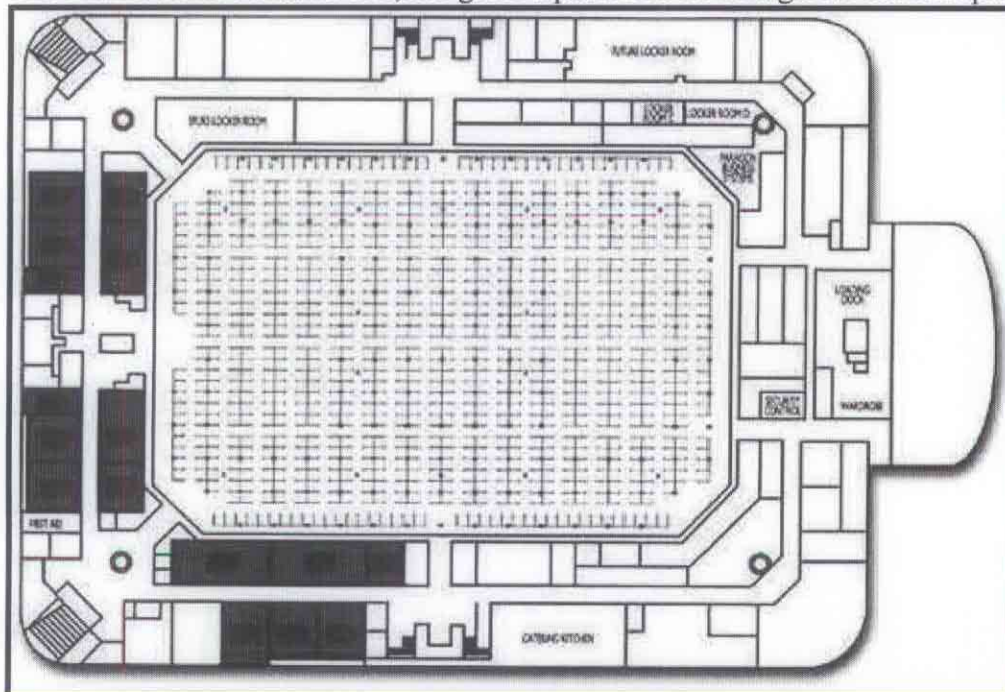
Assembly Seating Configuration

Seating configuration for groups can accommodate groups from 5,000 to 77,000.

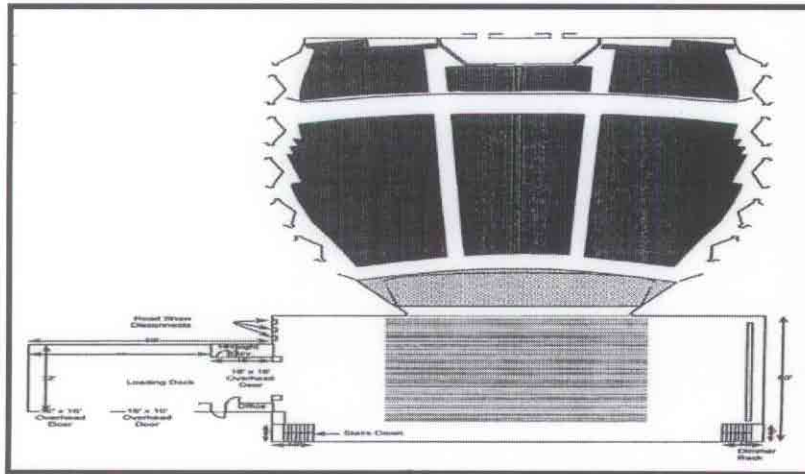


Trade Show Configuration

The Alamodome contains 160,000 gross square feet of contiguous exhibit space.



Lila Cockrell Theater



Municipal Auditorium

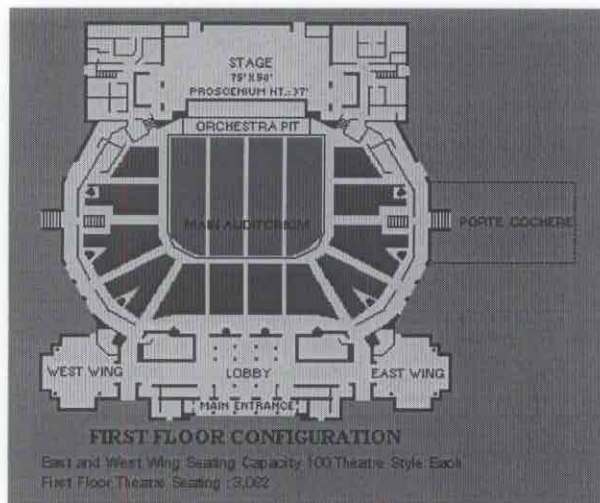


EXHIBIT B – SUBMITTAL FORM

Section 1. Respondent Information

a. **Name of Respondent:** _____

b. **Principal Place of Business:** _____

c. **Designated Representative:** Identify a designated representative of the respondent who is duly authorized to act on behalf of respondent with respect to this submission, the content thereof, and any associated communications and correspondence with the City of San Antonio:

Name: _____

Title: _____

Address: _____

Address: _____

Phone: _____ Fax: _____

Email: _____

d. **Organizational Information:** Provide information summarizing respondent's organization and its legal structure on not more than ten (10) pages attached to this submittal form and labeled "ATTACHMENT 1: ORGANIZATIONAL INFORMATION". Include in Attachment 1, to the extent reasonably available, information concerning the identity, background, and experience of all directors, all officers at the senior vice president level and above, any controlling shareholders, and in the case of a partnership, all general partners and any limited partner owning more than a 20% interest in respondent. To the extent reasonably available, provide information concerning the nature and locations of business conducted by respondent and its affiliates.

Section 2. Developer Experience

- a. **Experience Developing Convention Hotels:** Provide a vita describing prior work and demonstrating the capacity, track record, and interest to successfully develop a premier convention headquarters hotel in San Antonio on not more than ten (10) pages attached to this submittal form and labeled "ATTACHMENT 2: EXPERIENCE DEVELOPING CONVENTION HOTELS". Include in Attachment 2 information concerning each prior project including: (1) detailed description of the project; (2) total project cost; (3) years of development, construction commencement, and construction completion; (4) location; (5) contact person and phone number; (6) method of financing; and (7) role of government entities, if any, participating in the project.

- b. **Potential Hotel Operators:** List the hotel operator(s) that the respondent intends to pursue for this project, should respondent be selected as the preferred developer and enter into agreements with the City for development of the hotel:

Name: _____

Name: _____

Name: _____

- c. **Experience Developing Innovative Mixed-Use Projects in an Urban Environment:** Provide a vita describing prior work and demonstrating the capacity, track record, and interest to successfully develop innovative mixed-use projects in an urban environment on not more than ten (10) pages attached to this submittal form and labeled "ATTACHMENT 3: EXPERIENCE DEVELOPING MIXED-USE PROJECTS". Include in Attachment 3 information concerning each prior project including: (1) detailed description of the project; (2) total project cost; (3) years of development, construction commencement, and construction completion; (4) location; (5) contact person and phone number; (6) method of financing; (7) role of government entities, if any, participating in the project; and (8) notable architects and planners with whom the respondent worked on those projects. The projects listed therein may overlap those described for experience in developing convention headquarters hotels. Respondents may submit creative suggestions and/or recommendations for project development in the Supplemental Information section of this submittal.

Section 3. Financial Information

- a. **Certification of Solvency and Predevelopment Costs:** Provide a letter (Attachment 4) written on company letterhead; dated on or before the date of submission; signed by respondent's Chief Executive Officer, General Partner, Chief Financial Officer or equivalent, or other duly authorized representative; and containing the following:

"By the signature hereon affixed by a duly authorized representative of [entity's name] (Respondent), Respondent hereby affirms, represents, certifies, and acknowledges the following:

- "1. An insolvency event with respect to Respondent does not exist, where such an insolvency event includes:

- (a) Respondent's or any of its Subsidiaries' (which "Subsidiaries" include any corporation, partnership, or other entity of which at least a majority of the securities or other ownership interests having by the terms thereof ordinary voting power to elect a majority of the board of directors or other persons performing similar functions of such corporation, partnership, or other entity (irrespective of whether or not at this time securities or other ownership interests of any other class or classes of such corporation, partnership, or other entity shall have or might have voting power by reason of the happening of any contingency) is at this time directly or indirectly owned or controlled by Respondent or one or more Subsidiaries of Respondent)
 - (i) Failure to not generally pay its debts as such debts become due,
 - (ii) Admitting in writing its inability to pay its debts generally, or
 - (iii) Making a general assignment for the benefit of creditors; or
- (b) Any proceeding being instituted by or against Respondent or any of its Subsidiaries
 - (i) Seeking to adjudicate it a bankrupt or insolvent,
 - (ii) Seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under any law relating to bankruptcy, insolvency, or reorganization or relief of debtors, or
 - (iii) Seeking the entry of an order for relief or the appointment of a receiver, trustee, or other similar official for it or for any substantial part of its property (including any interest in any kind of property or asset, whether real, personal, or mixed, or tangible or intangible) and, in the case of any such proceeding instituted against Respondent or any of its Subsidiaries, either proceeding shall remain undismissed for a period of thirty (30) days or any of the actions sought in such proceeding shall occur; or
- (c) Respondent's or any of its Subsidiaries' taking any corporate action to authorize any of the actions set forth above in this paragraph "1";

REQUEST FOR DEVELOPER QUALIFICATIONS

“2. Respondent understands (a) it is expected to cover predevelopment costs associated with the convention headquarters hotel should Respondent be selected by the City of San Antonio as the preferred developer and enter into definitive agreements for the development of a convention headquarters hotel, and (b) that verification of the availability of capital for predevelopment may be requested; and

“3. This document does not create and is not intended to create a binding and enforceable contract or a duty on the part of the City of San Antonio, Respondent, or any party to negotiate in good faith toward a binding contract, and may not be relied upon by the City, Respondent, or any party as the basis for or evidence of a contract by estoppel or otherwise.

“By: _____
Name: _____
Title: _____”

- b. Contemplated Financing Approach:** Provide a narrative describing which approach(es) to project financing respondent would contemplate pursuing, should respondent be selected as the preferred developer and enter into agreements with the City for development of the hotel, on not more than five (5) pages attached to this submittal form and labeled “ATTACHMENT 5: CONTEMPLATED FINANCING APPROACH”.

Section 4. Public Policy Information

- a. Small Business Economic Development Advocacy (SBEDA) Policy Experience:** Describe prior work demonstrating the capacity and track record of respondent in complying with policy goals equivalent or similar to the City's SBEDA Policy on not more than five (5) pages attached to this submittal form and labeled "ATTACHMENT 6: SBEDA EXPERIENCE". Include in Attachment 6 information concerning each prior project including: (1) detailed description of the project; (2) discussion of all efforts aimed at utilizing small, minority, African American, and women business enterprises (S/M/AA/WBE); (3) whether and how successful those efforts were in achieving goals (if S/M/AA/WBE goals were not achieved please give explanation); (4) location and date; and (5) contact person and phone number. The projects listed therein may overlap those described in other attachments.
- b. Potential S/M/AA/WBE Involvement in Project:** Provide a narrative about how respondent could involve S/M/AA/WBE firms and local businesses in all aspects of the San Antonio convention headquarters hotel project, including but not limited to financing, investment, design, engineering, construction, and other consulting on not more than five (5) pages attached to this submittal form and labeled "ATTACHMENT 7: POTENTIAL S/M/AA/WBE/LOCAL INVOLVEMENT".

Section 5. Affirmations and Acknowledgements

Provide a letter (Attachment 8) written on company letterhead, dated on or before the date of submission, signed by respondent's Chief Executive Officer or General Partner or other duly authorized representative, and containing the following:

"By the signature hereon affixed by a duly authorized representative of [entity's name] (Respondent), Respondent hereby affirms, represents, certifies, and acknowledges the following:

- "1. The information contained in this submittal is true and correct to the best of Respondent's knowledge and belief. Should this submittal contain false or misleading information, the City has the right to void the submittal in its entirety and immediately remove Respondent from any further consideration.
- "2. If selected as the preferred developer, Respondent intends to work with the City, hotel owner, and hotel operator to reach an agreement that meets City's room blocking goals.
- "3. If selected as the preferred developer, Respondent intends to work with the City and the hotel operator to achieve a living wage for the hotel's employees.
- "4. If selected as the preferred developer, Respondent intends to comply with the City's Small Business Economic Development Advocacy (SBEDA) Policy.
- "5. Respondent and employees, agents, consultants, subconsultants, contractors, subcontractors, and advisors acting for or on behalf of Respondent have not given, offered to give, nor intend to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, service, or anything of monetary value to any City official, City employee, other City servant, and agent, consultant, subconsultant, contractor, subcontractor, and advisor acting for or on behalf of the City for the purpose of influencing consideration of this submittal.
- "6. Respondent has read and understands the *Conditions, Disclaimers, and Disclosures* section of the *Request for Developer Qualifications*.
- "7. This document does not create and is not intended to create a binding and enforceable contract or a duty on the part of the City of San Antonio, Respondent, or any party to negotiate in good faith toward a binding contract, and may not be relied upon by the City, Respondent, or any party as the basis for or evidence of a contract by estoppel or otherwise.

" By: _____
Name: _____
Title: _____ "

REQUEST FOR DEVELOPER QUALIFICATIONS

EXHIBIT C – CITY DISCRETIONARY CONTRACTS DISCLOSURE FORM*

For use of this form, see City of San Antonio Ethics Code, Part D, Sections 1&2

Attach additional sheets if space provided is not sufficient.

State "Not Applicable" for questions that do not apply.

*** This form is required to be supplemented in the event there is any change in the information under (1), (2), or (3) below, before the discretionary contract is the subject of council action, and no later than five (5) business days after any change about which information is required to be filed.**

Disclosure of Parties, Owners, and Closely Related Persons

For the purpose of assisting the city in the enforcement of provisions contained in the City Charter and the code of ethics, an individual or business entity seeking a discretionary contract from the city is required to disclose in connection with a proposal for a discretionary contract:

(1) the identity of any **individual** who would be a party to the discretionary contract;

(2) the identity of any **business entity**¹ that would be a party to the discretionary contract: _____ and
the name of: _____

(A) any individual or business entity that would be a *subcontractor* on the discretionary contract;

(B) any individual or business entity that is known to be a *partner*, or a *parent* or *subsidiary* business entity, of any individual or business entity who would be a party to the discretionary contract;

(3) the identity of any *lobbyist* or *public relations firm* employed for purposes relating to the discretionary contract being sought by any individual or business entity who would be a party to the discretionary contract.

¹ A *business entity* means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, unincorporated association, or any other entity recognized by law.

Political Contributions

Any individual or business entity seeking a discretionary contract from the city must disclose in connection with a proposal for a discretionary contract all political contributions totaling one hundred dollars (\$100) or more within the past twenty-four (24) months made directly or indirectly to any *current or former member* of City Council, any *candidate* for City Council, or to any *political action committee* that contributes to City Council elections, by any individual or business entity whose identity must be disclosed under (1), (2) or (3) above. Indirect contributions by an individual include, but are not limited to, contributions made by the individual's spouse, whether statutory or common-law. Indirect contributions by an entity include, but are not limited to, contributions made through the officers, owners, attorneys, or registered lobbyists of the entity.

To Whom Made:	Amount:	Date of Contribution:

Disclosures in Proposals

Any individual or business entity seeking a discretionary contract with the city shall disclose any known facts which, reasonably understood, raise a question² as to whether any city official or employee would violate Section 1 of Part B, Improper Economic Benefit, by participating in official action relating to the discretionary contract.

Signature:	Title: Company:	Date:

² For purposes of this rule, facts are "reasonably understood" to "raise a question" about the appropriateness of official action if a disinterested person would conclude that the facts, if true, require recusal or require careful consideration of whether or not recusal is required.

EXHIBIT D – CITY LITIGATION DISCLOSURE FORM

Failure to fully and truthfully disclose the information required by this Litigation Disclosure Form may result in the disqualification of your submission from consideration.

1. Has Respondent, any director thereof, any officer at the senior vice president level and above thereof, any controlling shareholder thereof, or in the case of a partnership, any general partner or any limited partner owning more than a 20% interest in Respondent (a) ever been indicted or convicted of a felony or (b) been indicted or convicted of a misdemeanor greater than Class C in the last five (5) years?

Circle One

YES

NO

2. Has Respondent, any director thereof, any officer at the senior vice president level and above thereof, any controlling shareholder thereof, or in the case of a partnership, any general partner or any limited partner owning more than a 20% interest in Respondent ever been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

Circle One

YES

NO

3. Has Respondent, any director thereof, any officer at the senior vice president level and above thereof, any controlling shareholder thereof, or in the case of a partnership, any general partner or any limited partner owning more than a 20% interest in Respondent (a) ever been involved in any claim or litigation with the City of San Antonio or (b) been involved in any claim or litigation with any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

Circle One

YES

NO

If you have answered “Yes” to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to and submitted with this form.

By: _____

Name: _____

Title: _____

Date: _____

EXHIBIT E—SMALL BUSINESS ECONOMIC DEVELOPMENT ADVOCACY POLICY

The City has established the following contracting goals:

Minority-Owned Business Enterprise (MBE):	32.5%
Women-Owned Business Enterprise (WBE):	13.0%
African-American-Owned Business Enterprise (AABE):	2.3%
Small Business Enterprise (SBE):	45.0%

Please note that a business could be classified in each category and therefore their utilization could be counted in each category of goals. For example, Company X submits proposal as a prime contractor for \$250,000 of services of which \$81,250 is subcontracted to Company Z. Company X retains \$168,750 of the contract. Company X is classified as local SBE, and Company Z is certified as an AABE, WBE, MBE and SBE. Goal compliance will be evaluated as follows:

Contract Amount: \$250,000

MBE =	\$81,250 or 32.5%	WBE =	\$81,250 or 32.5%
AABE =	\$81,250 or 32.5%	SBE =	\$250,000 or 100%

Company Z's \$81,250 subcontract counts towards MBE/WBE/AABE and SBE goals. Company X's \$168,750 balance counts towards the SBE goal. MBEs and WBEs submitting proposals as a prime contractor may count their status as such towards the appropriate goal. However, compliance with other goals (i.e., AABE, SBE etc.) is required.

Proposals submitted under Phase II of the developer selection process may be required to include a Good Faith Effort Plan (GFEP). The GFEP shall include specific documentation, as outlined in **City SBEDA Form 117C, "Good Faith Effort Plan for Subcontractors and Professional Services"**, that demonstrates a commitment by the proposer, to utilize minority and women business enterprises in a percentage which equals or exceeds the above goals. If required in proposals, any proposal that does not include the GFEP shall be declared non-responsive.

A firm may count toward the above goals a portion of the total dollar value of a contract with a joint venture equal to the percentage of MBE, WBE, AABE, or SBE participation in the joint venture. The MBE, WBE, or AABE must be responsible for a clearly defined portion of the work to be performed, equal to a share in the ownership, control, management, responsibility, risks, and profits of the joint venture.

Proposals under Phase II may be required to include **City SBEDA Form 101 List of Subcontractors** which identifies the particular firms to be utilized in performing the contract, specifying for each the dollar value of the participation, the type of work to be performed, and such information as may reasonably be required to determine the responsiveness of the submittal. Proposals may also be evaluated based on the level of Local and Disadvantaged Business Enterprise (DBE) Performance.

Only companies certified as SBE, MBE, WBE, AABE or DBE through the South Central Texas Regional Certification Agency (SCTRCA) can be applied towards the contracting goals. Proof of certification must be submitted utilizing, in part or in whole, an SBE, MBE, AABE, WBE or DBE firm. If not certified, please call the SCTRCA at (210) 227-4722 or write them at 301 S. Frio, Suite 310, San Antonio, Texas 78207.